

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Mark Acton, Vice Chairman;
Dan G. Blair;
Tony L. Hammond; and
Nanci E. Langley

Pleasant Ridge Station
Little Rock, AR 72212

Docket No. A2011-8

COMMENTS OF THE PUBLIC REPRESENTATIVE

(June 6, 2011)

I. Summary of Proceedings

The Commission received a petition for review of the closing of the Pleasant Ridge Station Post Office located in Little Rock, Arkansas. The petition, which was filed by Lou Schickel (Petitioner), is postmarked February 7, 2011 and was posted on the Commission's website on February 18, 2011.¹ In Order No. 678 the Commission instituted a proceeding under 39 U.S.C. 404(d)(5), designated the case as Docket No. A2011-8 to consider the Petitioner's appeal and designated the undersigned as Public Representative.²

The category of issues apparently pertain to the failure to observe procedures required by law, See 39 U.S.C. 404(d)(5)(B), and failure to consider the effect on the community, See 39 U.S.C. 404(d)(2)(A).

¹ Letter Received from Board of Madison Township Trustees Regarding Docket A2011-5, February 7, 2011 (Petition).

² Notice and Order Accepting Appeal and Establishing Procedural Schedule, February 23, 2011 (Order No. 678).

The Pleasant Ridge Station Post Office was scheduled to close March 26, 2011. The deadline established for the Postal Service to file the administrative record with the Commission was March 2, 2011. 39 CFR 3001.113.

On March 2, 2011, the Postal Service filed its notice in response to Order No. 678, which stated that it did not have an administrative record supporting the discontinuance of the Pleasant Ridge Station that complies with 39 U.S.C. 404(d).³ The Postal Service contends that the Pleasant Ridge Station is a station and not a post office and its closing does not require the development of a final administrative record supporting the discontinuance. It argues that the Commission does not have jurisdiction to review a station discontinuance under 39 U.S.C. 404(d). Notice at 2. Additionally, it also asserts that the procedural requirements for review under section 404(d) do not apply. The Postal Service maintains that Petitioner's claims do not qualify as a closure as contemplated by 39 U.S.C. 404(d) since the postal customers at the Pleasant Ridge Station will not lose access to postal services in that retail service facilities are in close proximity to the discontinued station. *Id.* at 2-3. It supports this claim by citing the Commission's decision in Order No. 477, which found that access to an alternate postal facility location within 1.7 miles was deemed to be in close proximity for purposes of evaluating loss of postal services. *Id.* at 2.

Commission Information Request No. 1 (CHIR No. 1) was issued directing the Postal Service to provide copies of the Administrative Record to assist the Commission in reviewing the instant case.⁴ Despite its assertions, the Postal Service provided a summary of the information related to the closure of the Pleasant Ridge Station.⁵ The Postal Service's records state that after closure of the Pleasant Ridge Station customers will have access to retail and delivery services at the Westside Station located .53 miles away. *Id.* Exhibit 1 at 1. The summary states that retail transactions have been \$771,339 in FY2007, \$735,991 in FY2008 and \$694, 358 in FY2009. *Id.*

³ Notice of United States Postal Service, March 2, 2011.

⁴ Commission Information Request No. 1, April 19, 2011.

⁵ United States Postal Service Notice of Filing and Application for Non-Public Status, April 26, 2011.

The Postal Service maintains that the Westside Station has service hours from 9:00 a.m. to 6:00 p.m., Monday through Friday and 10:00 a.m. to 2:00 p.m. on Saturday. The Pleasant Ridge Station hours were 8:45 a.m. to 5:00 p.m., Monday through Friday and 10:30 a.m. to 12:00 p.m. on Saturday. It also states that the Westside Station has 579 post office boxes available. *Id.* Further it maintains that retail service is also available at the Chenal Station located approximately 2 miles away. *Id.*

The Postal Service states that questionnaires were given to delivery customers of the Pleasant Ridge Station on November 12 and 13, 2009, with 6044 questionnaires distributed to delivery customers of the Pleasant Ridge Station regarding the proposed discontinuance. *Id.* It relates that the tally from the questionnaires were 1382 returned with 169 were favorable, 808 unfavorable, and 405 with no opinion.⁶ *Id.* According to the Postal Service's summary of responses, customers raised a variety of concerns including the distance of the new location, requirements to change addresses, and long lines. *Id.* at 1-3. The Postal Service responses summarize its options to address customer concerns including use of carrier delivery for residential customers who do not want to travel to the new location, visits at non-peak times to the Westside location for shorter lines, purchase of stamps on the Internet or through an 800 number, and choosing post office box service at the Westside Station location for those who do not want an address change. *Id.* at 2-3. However, customers that choose city delivery service will experience an address change. *Id.* at 2. The Postal Service addresses other concerns by stating that it will monitor window operations to attempt to alleviate long lines and address customer service and parking issues with appropriate management. *Id.* at 1-2.

The Postal Service also states that it will help preserve community identity by continuing the use of the community name and the ZIP Code will be maintained in the mailing address. *Id.* at 4.

⁶ The administrative record in Exhibit 1 does not explain that there were errors made in the distribution of the questionnaires so that some customers received documents to respond to questions regarding the South Fort Smith Station rather than the Pleasant Ridge Station. The final tally may be impacted by the error.

Postal Service projected savings. The Postal Service asserts that postal employees at the Lincoln Branch will be reassigned to the Westside Station location or within the city of Little Rock. *Id.* It states further that annual savings amount to \$296,906. *Id.* at 4. The expenses associated with closing the location for building modifications and buyout of the lease amount to \$621,780. The Postal Service relates that total savings include “economic savings” of the clerks’ salary and fringe benefits that are being reassigned. The total of employee savings is \$62,332. The Postal Service concludes that the final determination to discontinue the Pleasant Ridge Post Office will result in advantages that compensate for the loss of the retail outlet in the Pleasant Community. *Id.* at 5.

In the Comments filed by the Postal Service it claims to have provided more than sixty days notice of the discontinuance of the Pleasant Ridge Station closing with the questionnaires that were furnished to customers in November 2009.⁷ Comments at 3. It states further that its letter dated February 4, 2011, that informed customers that the final closing date was March 26, 2011, was additional notification to customers of the closing date. *Id.* The Postal Service’s findings from the survey responses were that customers would continue to attend to regular business activities in the Pleasant Ridge area in spite of the loss of the Post Office facility. *Id.* at 4.

Petitioner’s claims. The Petitioner filed the original Participant Statement on March 21, 2011.⁸ The petition for appeal of the discontinuance of the Pleasant Ridge Station argues that the Postal Service did not file a notice of the closure or consolidation of the location within 60 days of the written determination.⁹ The Petitioner states that questionnaires within the 72212 ZIP Code were sent to customers referencing the possibility of discontinuance of the Forth Smith Station Location. Petition at 1. He relates however, that he did receive a questionnaire on November 19, 2009. The Petitioner contends that there was confusion surrounding the questionnaires that

⁷ Comments of the United States Postal Service, April 11, 2011.

⁸ Participant Statement, March 22, 2011. There was a participant statement also received from Steve Reed, President of the Walton Heights-Candlewood Homeowners Association on March 21, 2011.

⁹ Petitioner Lou Schickel states that the Postal Service’s Final Determination was not posted.

impacted the responses of many customers. *Id.* He also notes that many of the Chenal Station customers use the Pleasant Ridge Station for postal services other than package pick-up. *Id.* The Petitioner states that even though these customers are closer in proximity to the Pleasant Ridge Station the ZIP Code assigned to them was changed from 72212. Additionally, he claims that his office is next door to the Pleasant Ridge Station and he never noticed questionnaires available over the counter for retail customers. *Id.*

The Petitioner contends that the economic savings referenced by the Postal Service is incorrect. *Id.* He observes that savings are offset initially by the cost of the lease buyout and modifications to the facility. The Petitioner concludes that there will ultimately be few savings and the trip to the Westside Station as an alternative is more than two miles away. *Id.* In later conversations with me he described the appeal process to the Commission as exasperating because it was inevitable that the Commission would affirm the Postal Service's decision because the Pleasant Ridge Station was already closed. He stated that he had received numerous complaints from customers about the length of time it takes for the trip to the Westside Station. Because of traffic congestion he stated the trip is more than twenty minutes each way and he avoids the area in general. Mr. Schickel states further that the Westside Station location is older and in need of maintenance, which has not been done, and additionally, mailboxes are not generally available in other locations than the congested Westside location. The Petitioner remains dissatisfied with the change to the Westside location and believes that citizens have no viable alternative but to accept the change. Therefore, he states he has accepted the outcome from the Commission decision.

II. Discussion

In Docket No. A2011-5, the Commission found that even though the Postal Service's notice was not perfect in some aspects it still provided proper notice to customers through questionnaires, letters and postings of the Postal Service's intent to close the Penobscot Finance Station in conformity with 39 U.S.C. 404(d).¹⁰

¹⁰ See Docket No. A2011-5, Order No. 706, Order Affirming Postal Service Determination, March 31, 2011.

In this case in spite of the Postal Service's possible error in initially issuing the questionnaire with incorrect information, it later corrected the questionnaire and the Petitioner indicates he received a copy of the corrected questionnaire. The Petitioner also did receive a copy of the letter providing the final closure date of March 26, 2011. Petition at 2. There were also significant numbers of customers that responded to the questionnaires. In the instant case, as in other closure cases it appears there were ineffective and minimal efforts to communicate with customers. However, in the instant case it appears that notice was given to the customers of the initial proposal and later decision to close the Pleasant Ridge Station. Therefore, it appears, in spite of the imperfect process, the Postal Service has complied with the notice requirements of 39 U.S.C. 404(d).

Postal Service savings and effect on the community. The Postal Service has continued to provide its economic savings using the same methodology that the Commission recommended be changed in Order No. 706. Incorporating savings from the salary and benefits of employees that are relocated misrepresents to the public the actual savings resulting from the discontinuance of this location. The savings represented in the Administrative Record are not accurately presented. Ultimately, the savings estimate may be less than described, but there are some savings associated with the closure of the Pleasant Ridge Station facility; however, the savings are long term savings and do not occur immediately. The actual savings estimates should indicate that salaries and fringe benefits are being reassigned. Therefore, the expenses are added to the expenses for the alternate location; not eliminated.

The Postal Service's Administrative Record does present evidence that it has considered some of the effect of the closing of the Pleasant Ridge Station on the community. The Postal Service has addressed the responses expressed by the community in a manner that focuses on availability of postal services within a reasonable distance from the Pleasant Ridge Station, and by other means. The Postal Service has complied with consideration of the effect on the community. 39 U.S.C. 404(d)(2)(A).

Conclusion. The alternate service location will inconvenience some customers. However, the alternate location provides effective and regular service at the alternate location.

The record demonstrates that the Petitioner was afforded notice of the Postal Service's proposal to close the Pleasant Ridge Station and had an opportunity to comment on that proposal. The Postal Service has demonstrated that it may continue to provide regular and effective postal services to the community. With maintenance of the Postal Service as the goal the public is ultimately served by the resulting savings however small that cumulatively may assist in the Postal Service reducing its massive debt.

Respectfully Submitted,
/s/ Cassandra L. Hicks
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